

**HUMAN SERVICES DEPARTMENT[441]**

**Notice of Intended Action**

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 81, “Nursing Facilities,” Iowa Administrative Code.

These amendments change the Department’s procedures for implementation of the federal preadmission screening and annual resident review (PASARR) requirements for nursing facilities. These requirements, which are contained in 42 CFR Part 483, Subpart C, apply to all persons seeking care in a Medicaid-certified facility, regardless of the source of payment for that care.

PASARR regulations require that persons seeking to enter nursing facilities be reviewed to screen for mental retardation, a related condition, or mental illness (Level I review). If one of these conditions is indicated, an evaluation must be conducted to determine whether the person actually needs nursing facility care, needs specialized services for mental retardation or mental illness, or needs both nursing care and specialized services (Level II review). The state mental health authority (the Department’s Division of Mental Health and Disability Services) must approve the person’s evaluation and plan of care to ensure that the person is receiving appropriate care and treatment.

The Department has contracted with Ascend Management Innovations, LLC, to perform the evaluations required for Level II reviews. These amendments list conditions that temporarily or permanently exempt a person from Level II review. The amendments also provide that the Department will not approve payment for a person’s nursing facility care until a Level I review and (if indicated) a Level II review are completed. This provision is expected to result in cost avoidance for the state and is included in Governor Branstad’s list of cost containment recommendations.

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 9726B**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

Any interested person may make written comments on the proposed amendments on or before September 27, 2011. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments do not provide for waivers in specified situations since reviews are required by federal Medicaid regulations. However, the Department does have a general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4 and 2011 Iowa Acts, House File 649, section 10, subsection 20(a).